

Export Outlook for Dairy, Livestock & Poultry

Revised FY 2004 Forecast:  \$100 Million to \$10.7 Billion

Initial FY 2005 Projection: \$10.4 Billion

Revised FY 2004 Forecast

Key Developments

□ (+) Beef & pork raised \$172 mil; record pork exports at 690,000 mt (\$1.68 bil); animal fats up \$70 mil; dairy prods up \$55 mil

□ (-) Live animals lowered \$100 mil -- lower horse exports expected

Initial FY 2005 Projection

Key Upside Developments

□ Pork exports at record 710,000 tons (\$1.7 billion)

Key Downside Developments

□ Beef & beef offals lowered \$410 million based on absence of higher vol 1st qtr fiscal 2004 (pre-BSE) (forecast assumes import bans remain in place entire year)

Wild Cards

□ Timing of the lifting of BSE bans; reopening Japan & Korea beef markets could add up to \$2 billion

